



**RATE GS-1 SERVICE AGREEMENT**

This Rate GS-1 Service Agreement (“Agreement”) is entered into and between DTE Gas Company (“DTE”) and \_\_\_\_\_ (“Customer”).

**SECTION 1 – PARTIES:**

<p><b>DTE:</b> DTE Gas Company One Energy Plaza, WCB 1755 Detroit, MI 48226-1221</p> <p><b>Notices:</b> <a href="mailto:gasaccountmgr_account@dteenergy.com">gasaccountmgr_account@dteenergy.com</a></p> <p><b>Account Manager:</b></p> <p><b>Phone:</b> [Account Manager #] <b>Email:</b> [Account Manager]</p>	<p><b>Customer:</b></p> <p><b>Notices:</b></p> <p><b>Phone:</b> <b>Email:</b></p>
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**SECTION 2 – GENERAL PROVISIONS:**

1. DTE agrees to deliver gas to Customer for use in its non-residential property (as provided for in section D7 of the Rate Book) located at \_\_\_\_\_ in \_\_\_\_\_, Michigan, \_\_\_\_\_ (“Site”) which shall be purchased by Customer in accordance with this Agreement, including Attachment A, if applicable, and the DTE Gas Company Rate Book for Natural Gas Service (“Rate Book”), as revised from time to time by the Michigan Public Service Commission (“MPSC”).
2. Service under this Agreement shall commence on \_\_\_\_\_ (“Effective Date”) and terminate on \_\_\_\_\_. (“Initial Term”).
  - a. Thereafter, the term of this Agreement shall automatically extend for successive periods of one year (“Extension Term”), unless and until terminated pursuant to Section 3.2.b.
  - b. This Agreement may be terminated by either party at the end of the Initial Term or any Extension Term. Termination of this Agreement requires written notice 30 days prior to the end of the Initial Term or 30 days prior to the end of any Extension Term.
3. Customer’s annual estimated natural gas usage is \_\_\_\_\_ MMBtu.
4. Customer shall pay any assessments, surcharges, taxes and tariffs, however designated, levied, or charged resulting from this Agreement, including, without limitation, all state and local privilege or excise taxes and any amount in lieu of such taxes, tariffs and duties paid by DTE (all collectively referred to as "Taxes and Assessments"), exclusive however of taxes based on the net income of DTE, property taxes, and DTE's Michigan Corporate Income Tax. Customer shall reimburse DTE for any Taxes and

Assessments which are collected and remitted or paid on Customer's behalf by DTE because of Customer's failure to pay.

5. Customer is responsible for all costs associated with construction of any DTE facilities which may be required to serve changes in Customer's operations or natural gas load, pursuant to the Rate Book including but not limited to changes in Standby Service, delivered natural gas pressure (elevated natural gas pressure), and/or hourly natural gas flow rating approved by DTE.
6. The entire agreement between the parties shall consist of this Agreement, including Attachment A attached hereto, if applicable, together with the Rate Book (together referred to as the "Agreement"). Any prior understandings, representations, promises, undertakings, agreements or inducements, whether written or oral, concerning the subject matter hereof not contained herein shall have no force and effect. The Agreement may be modified or amended only by writing duly executed by both parties.
7. Unless otherwise specified, the terms in this Agreement shall have the meaning set forth in the Rate Book.

**SECTION 3 – CHARGES:**

Per General Service Rate GS-1, of the Rate Book ("Charges").

**SECTION 4 – REMOTE METERING SERVICE:**

1. Customer  has  has not elected Remote Metering Service ("Remote Metering") which shall be provided in accordance with the Rate Book and Attachment A.
2. Customer shall pay a monthly charge for Remote Metering per the Rate Book.

**SECTION 5 – STANDBY SERVICE:**

1. Customer and DTE agree that Standby Service  will be  will not be provided under this Agreement in accordance with the Rate Book.
2. Customer's "Standby Nameplate Rating" shall be equal to \_\_\_\_\_ MMBtu per hour.
3. Customer shall pay a monthly charge for Standby Service per the Rate Book.

**SECTION 6 – ADDITIONAL PROVISIONS:**

1. **Financial Modeling per the Rate Book:** To support Customer’s new construction requirements at the Site, DTE has financially modeled the cost of the facilities that are required to be installed in order to commence service hereunder (“Gas Facilities”) based on the terms of this Agreement. During the Term of the Agreement, Customer shall commit to the selected following terms as defined below:
  - a. **Contribution in Aid of Construction (full payment up front):** Customer shall pay DTE an upfront Contribution in Aid of Construction (“CIAC”) for the Gas Facilities per the Rate Book in the amount of **\$xxx,xxx.00** and payable by the due date of the invoice provided by DTE. Upon Customer’s payment of the full CIAC hereunder, Customer shall continue under this Agreement by paying the Charges noted in Section 3 above.
  - b. **Minimum Annual Revenue Commitments:** Customer has agreed that in lieu of paying a CIAC or higher CIAC as set out in Section 6.1.a. above, Customer guarantees to DTE minimum revenue payments equal to the sum of the Monthly Customer Charges, Monthly Infrastructure Recovery Mechanism Charges, and Distribution Charges, specified in Section 3 – Charges above, equal to **\$xxx,xxx.00** per contract year (“Minimum Annual Revenue Commitment”).
    - i. **Deficiency Payment:** If the actual amount paid to DTE by Customer under Section 6.1.b. above during any contract year (defined as the first one-year period during the term and each successive one year period of the term thereafter) is less than the Minimum Annual Revenue Commitment, Customer shall pay DTE as liquidated damages and not a penalty, the difference between the Minimum Annual Revenue Commitment and the actual amount paid in the relevant contract year (“Deficiency Payment”). The Deficiency Payment shall not be less than zero and Customer shall not receive a refund of any amount paid in excess of the Minimum Annual Revenue Commitment during a contract year. Any Deficiency Payment shall be due and payable on the date specified in an invoice provided to Customer by DTE. The Deficiency Payment is exclusive of any other charges or fees that may be accrued under this Agreement and/or the Rate Book.
    - ii. **Early Termination Reimbursement:** The Minimum Annual Revenue Commitment is calculated based on the number of years Customer remains a DTE customer under this Agreement at the applicable GS-1 rate. Accordingly, should Customer elect to terminate gas service with DTE at the Site prior to the end of the Term, Customer shall reimburse DTE a prorated amount (“Early Termination Reimbursement”) of the total costs for construction of the Gas Facilities at the Site.
  - c. **Upfront Construction Payment Plus Minimum Annual Revenue Commitment (“Hybrid Payment Plan”):** Customer agrees to pay an upfront partial payment for the construction of the Gas Facilities per the Rate Book in the amount of [insert the partial CIAC payment value between \$0 and **\$xxx,xxx.00** based on CAP Model/Finance model] and payable by the due date of the invoice provided by DTE. Additionally, Customer will pay to DTE a Minimum Annual Revenue Commitment equal to **\$xxx,xxx.00** per contract year. The terms of sections 6.b.i. and 6.b.ii. above shall also apply to the Hybrid Payment Plan.
2. **Satisfaction of Commitment:** If applicable, upon customer’s satisfaction of the Minimum Annual Revenue Commitment as set forth in Section 6.1.b. above. Customer will continue to receive gas and pay the Charges set forth in Section 3 unless either party chooses to otherwise terminate this Agreement upon 30 days written notice.

**SECTION 7 – SIGNATURES:**

DTE Gas Company:	Signature: _____ Printed Name: _____ Title: _____ Signature Date: _____
Customer:	Signature: _____ Printed Name: _____ Title: _____ Signature Date: _____

**ATTACHMENT A**

**SCHEDULE OF REMOTE METERS**

<u>Service Address</u>	<u>Service Address Description (e.g.: Boiler Plant)</u>	Meter Number <u>(or its replacement)</u>